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DD/A Registry
File *100130027-7*

16 MAR 1976

DD/A Registry 76-1479

MEMORANDUM FOR: Assistant for Resources, DDA
SUBJECT : Agency Space Consolidation Study
REFERENCE : DCI Financial Guidance Letter dtd 14 August 75

Jim:

The referent contained tasking for the Consolidation Study Group including the following two items for which you orally requested additional information from this Division:

"a. Develop a plan, with the assistance of the DDS&T, to relocate OTS away from the 2430 E Street complex, and to relocate other components in the space vacated. If operational security factors allow, the plan should address the possibility of collocating the OTS Washington area training facility with the rest of OTS. Submit recommendations by 31 December 1975.

b. ...

c. Study a possible phased plan to remove CIA offices from the Rosslyn area to the Beltway area, with costs involved. Report by 31 March 1976."

Events subsequent to the referent necessitated that the tasking be changed and simplified somewhat. Specifically, item a. above was reduced to an examination of the relocation of the OTS 2430 E Street complex with no consideration being given to the OTS training facility which had just been relocated [REDACTED] and which constitutes a very small portion of the total OTS space holdings. Item b. remained essentially the same although it was decided that budgetary costs would be sufficient without detailed consideration of a "phased" plan.

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Regarding the relocation of the OTS 2430 E Street complex, we have included as Attachment 1 an internal Division memorandum which discusses the feasibility of and associated costs for such a move. You will note that the costs included in this memorandum do not include any figures for "back filling" the 2430 E Street complex by other Agency elements.

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SUBJECT: Agency Space Consolidation Study

Regarding the possible relocation of Agency elements from Rosslyn to the Beltway area, we have included as Attachment 2 another internal memorandum which discusses the feasibility of such a proposal. Although it was not a factor in determining costs and feasibility, we should note that we interpret the phrase "Beltway area" to mean a corridor along route 123 between Langley and Vienna, Virginia. This corridor

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Building and offers the advantage of shortened lines of communication and the concentration of bus routes and courier service.

Based on information contained in the attachments, certain general conclusions can be drawn:

a. There is no excess space or space currently under Government lease which is available for the relocation of our activities from 2430 E Street or from Rosslyn.

b. New lease space or new construction are both technically possible in the sense that lease space is available and areas for new construction are available; however, the costs of either option are extremely high.

c. In addition to cost, there are a number of practical factors which would complicate either move at the present time. These include the following:

(1) The necessity to obtain Congressional approval for either new lease or construction when the annual lease cost or new construction cost exceeds \$500,000.

(2) Current General Services Administration (GSA) Standard Level User Charge (SLUC) procedures which discourage moves by establishing far higher SLUC rates for new space than for existing space.

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SUBJECT: Agency Space Consolidation Study

(3) For leased space, the reluctance of GSA to move a large number of personnel from the central city and the necessity to prepare and get approved minority employee impact statements in such areas as public housing, public transportation, etc.

(4) For new construction, the current inability of GSA to get Congressional approval of new construction and the necessity to obtain the approval of a large number of Federal and local regulatory agencies for such construction.

Please advise if further information is required.

Sincerely,



Chief

Real Estate and Construction Division, OL

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MEMORANDUM FOR: Chief, Real Estate and Construction Division, OL *Leah 3/2/76*
 SUBJECT : Feasibility for Relocation of OTS
 REFERENCE : DCI Financial Guidance Letter, dtd 14 Aug 75, Item a.:
 "To develop a plan to relocate OTS from the 2430 E Street complex and collocate with the OTS Training Facility"

1. Due to its mission and mode of operation, OTS space requirements are diversified and total some 74,895 square feet, consisting of 38,955 square feet of office space and 35,940 square feet of nonoffice space. The foregoing total excludes 22,469 square feet of CMC space, such as hallways, stairwells, toilets, etc., in the South, East, and Central Buildings.

2. Within the Washington metropolitan area, it will be difficult for GSA to locate a building or a complex of buildings that will be suitable for OTS operations, i.e., in space area (sq.ft.) and configuration required by OTS. Even when found, extensive modifications will be required to duplicate existing laboratory and other special space.

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3. The [REDACTED] complex was considered as a possible relocation site. The floor space available, 35,000 square feet of office space in the main building and 35,000 square feet in the detached warehouse, is less than the net floor space in use by OTS. Adding 10% to the net floor space, for corridors, etc., would indicate that sufficient floor space does not exist to accommodate OTS in the [REDACTED]. Independent studies indicate that the OTS facilities now occupying Central Building could be separated from the remainder of OTS and approximately 1,580 square feet of classroom/laboratory space could be relocated to [REDACTED] with existing training facilities. This separation would reduce the space demand to that which could be accommodated at [REDACTED]. The nature of the construction, primarily slab on grade, would necessitate expensive excavation through the existing slab for plumbing. Further, the warehouse proper is heated and ventilated but not air-conditioned. Providing air conditioning is feasible but would add to the cost. The expenditure of such amounts to modify this leased building is not in keeping with existing economical policies. The move to this location would not provide facilities for consolidation of OTS, and it would disrupt the furthering of the goal of DDA consolidation in the [REDACTED].

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4. For comparative purposes, estimated annual costs for an OTS leased facility in the Washington metropolitan area are as follows:

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<u>Type of Space</u>	<u>Sq. Ft.</u>		<u>Unit Cost/Sq. Ft.*</u>		<u>GSA Lease Cost</u>
Office	38,955	x	\$8.66	=	\$337,350
Industrial	8,390	x	6.56	=	55,038
Lab	18,245	x	14.96	=	272,945
Storage	5,595	x	5.96	=	33,346
Food Service	495	x	14.05	=	6,955
Vault	2,020	x	12.02	=	24,280
Conference Room & Training	1,195	x	9.75	=	11,651
TOTAL	74,895			TOTAL	\$741,565

*GSA TIER I RATE AT 90 QUALITY RATING

Starting 1 Oct 1976, FY-77 rate increases by 6% per Office of Management and Budget.

5. It is to be noted that the above GSA annual leased cost estimate excludes necessary building modifications and/or alteration expenses, which costs are difficult to ascertain without benefit of a detailed investigation and a scope of work for a definite leased facility.

6. In an effort to reflect these estimated costs for a new GSA leased facility, projected building modification/alteration costs are shown for the following nonoffice space:

<u>Type of Space</u>	<u>Sq. Ft.</u>		<u>Unit Cost/Sq. Ft.</u>		<u>Estimated Costs</u>
Industrial	8,390	x	\$13.75	=	115,363
Lab	18,245	x	67.42	=	1,230,078
Food Service	495	x	21.85	=	10,816
Vault	2,020	x	30.53	=	61,671
					\$1,417,928

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Contractor's OH&P (26%)		\$368,661
		<hr/>
	SUBTOTAL	\$1,786,589
Plus Contingency for Alteration Work (20%)		
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	SUBTOTAL	\$2,143,907
Plus Design (6%)		\$95,566
		<hr/>
	TOTAL	\$2,272,541
	SAY	\$2,275,000

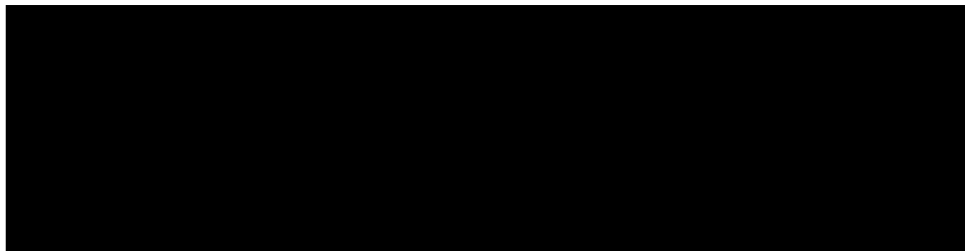
25X1A 7. Further, it must be pointed out that the GSA annual leased cost estimate does not include relocation costs of OTS equipment, stored materials and supplies, which must be removed from the E Street complex and relocated in a new leased facility. It is estimated that these costs would be approximately \$425,000 if the move is made within the Washington metropolitan area. If the move is made [REDACTED] the cost is estimated at \$675,000.

8. Because of these "add-on" expenses, the GSA leasing of private facilities for OTS should be considered only as a last resort. In addition, the expenditure of funds for the modification or alteration of privately-owned buildings is not in the interest of the U.S. Government and is extremely difficult to justify.

9. The magnitude of OTS relocation costs indicates that every effort should be made to utilize U.S. Government-owned real estate and facilities where available and feasible. Accordingly, a list of potential U.S. Government-owned sites that may be considered for relocation has been tabulated:

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10. New OTS construction will be necessary at all listed U.S. Government-owned sites. A cost estimate has been developed for new construction in the

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Washington area (Langley, Va.; [REDACTED] and in [REDACTED] These cost estimates amount to \$5,000,000 and \$4,500,000 respectively.

11. Attention is invited to the fact that the cost estimates for OTS new construction excludes the costs for extension of utilities to the new facilities at the various sites. In addition, costs for conversion or modification of the vacated E Street complex to meet the requirements of a new component have not been included since it is not feasible to ascertain these costs at this time.

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12. If any additional information is required, please contact [REDACTED] on extension [REDACTED]

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Chief
Field Engineering Branch, RECD/OL

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SUBJECT: Feasibility for the Relocation of Agency Components From the
Rosslyn Area

Any privately-owned office space under a new lease will have to be modified to meet Agency operational requirements. The cost of providing typical office space, including lights, air conditioning, etc., is considered part of the leasing costs. Special modifications, such as vault space, secure areas, ADP spaces, etc., have to be borne by the Agency. It is estimated that modification/alteration expenses for such special spaces will be approximately \$2,600,000 in a new GSA-leased facility. This estimate assumes GSA will acquire a facility providing adequate and suitable office and conference room space.

5. Additionally, the Agency will incur a moving expense from Rosslyn to another location in the Washington area for furniture, equipment, supplies, etc. It is estimated that the moving cost for both buildings will be approximately \$86,000.

6. Discussions with ORD reveal that relocation of the ORD computer facility located in the Ames Building (5th floor) will be difficult and expensive, i.e., estimated cost is \$300,000. A key consideration in the relocation of the facility is the estimated time to complete the move (24 weeks minimum) and the problem of providing interim computer support during that period. The move must be scheduled to minimize service disruption. To minimize costs, ORD assumed that most of the removable materials, computer equipment, screen rooms, etc., could and would be reinstalled and reused in the new location.

7. It should be noted that the estimated costs discussed do not take into account restoration of the facilities to be vacated. The costs of modification for another agency under the existing lease, for example, would be different than the costs of terminating the lease.

8. An alternative to leasing privately-owned facilities, is the possibility of new construction to house Agency components to be relocated from Rosslyn, using U.S. Government-owned real estate where available and feasible. New construction in the Washington metropolitan area is estimated to cost \$18 million. Potential federally-owned sites that could be used for new construction are as follows:

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The time involved in such construction would be several years, considering the approvals that would be required, the time required for design, and the time involved in actual construction.

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